



General Assembly

January Session, 2015

***Raised Bill No. 6832***

LCO No. 3962



Referred to Committee on COMMERCE

Introduced by:  
(CE)

***AN ACT REPEALING THE HIGH PERFORMANCE WORK  
ORGANIZATION PROGRAM AND THRESHOLD PROJECT  
PROVISIONS CONCERNING FINANCIAL ASSISTANCE AWARDED BY  
THE DEPARTMENT OF ECONOMIC AND COMMUNITY  
DEVELOPMENT AND CONNECTICUT INNOVATIONS,  
INCORPORATED.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 10-95f of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2015*):

4 (a) Whenever the term "regional vocational-technical school" or  
5 "regional vocational-technical schools" is used or referred to in the  
6 following sections of the general statutes, the term "technical high  
7 school" or "technical high schools" shall be substituted in lieu thereof:  
8 4-124ff, 4a-11a, 4d-83, 5-275, 8-265pp, 10-9, 10-19d, 10-19e, 10-21g, 10-  
9 66p, 10-67, 10-74d, 10-76q, 10-95a, 10-95j, 10-95n, 10-95o, 10-97, 10-98a,  
10 10-233d, 10-235, 10-264l, 10-283, 10-287d, 10a-55e, 10a-55g, 10a-72d,  
11 17b-610, 31-3c, 31-3h, 31-3k, 31-11p, 32-4i [.] and 32-6j. [and 32-475.]

12       Sec. 2. Subdivision (3) of subsection (a) of section 32-1m of the  
13       general statutes is repealed and the following is substituted in lieu  
14       thereof (*Effective October 1, 2015*):

15       (3) An analysis of the economic development portfolio of the  
16       department, including:

17       (A) A list of the names, addresses and locations of all recipients of  
18       the department's assistance;

19       (B) The following information concerning each recipient of such  
20       assistance: (i) Business activities, (ii) standard industrial classification  
21       codes or North American industrial classification codes, (iii) number of  
22       full-time jobs and part-time jobs at the time of application, (iv) number  
23       of actual full-time jobs and actual part-time jobs during the preceding  
24       state fiscal year, (v) whether the recipient is a minority or woman-  
25       owned business, (vi) a summary of the terms and conditions for the  
26       assistance, including the type and amount of state financial assistance,  
27       job creation or retention requirements and anticipated wage rates, (vii)  
28       the amount of investments from private and other nonstate sources  
29       that have been leveraged by the assistance, (viii) the extent to which  
30       employees of the recipient participate in health benefit plans offered  
31       by such recipient, (ix) the extent to which the recipient offers unique  
32       economic, social, cultural or aesthetic attributes to the municipality in  
33       which the recipient is located or to the state, and (x) the amount of  
34       state investment;

35       (C) A portfolio analysis, including (i) an analysis of the wages paid  
36       by recipients of financial assistance, (ii) the average portfolio wage,  
37       median portfolio wage, highest and lowest portfolio wage, (iii)  
38       portfolio wage data by industry, and (iv) portfolio wage data by  
39       municipality;

40       (D) An investment analysis, including (i) total portfolio value, (ii)  
41       total investment by industry, (iii) portfolio dollar per job average, and  
42       (iv) portfolio leverage ratio; and (v) percentage of financial assistance

43 which was provided to high performance work organizations in the  
44 preceding state fiscal year;] and

45 (E) An analysis of the estimated economic effects of the  
46 department's economic development investments on the state's  
47 economy, including (i) contribution to gross state product for the total  
48 economic development portfolio and for any investment activity  
49 occurring in the preceding state fiscal year, (ii) direct and indirect  
50 employment created by the investments for the total portfolio and for  
51 any investment activity occurring in the preceding state fiscal year, (iii)  
52 productivity of recipients of financial assistance as a result of the  
53 department's investment occurring in the preceding state fiscal year,  
54 (iv) directly or indirectly increased property values in the  
55 municipalities in which the recipients of assistance are located, and (v)  
56 personal income.

57 Sec. 3. Subsection (a) of section 32-7f of the general statutes is  
58 repealed and the following is substituted in lieu thereof (*Effective*  
59 *October 1, 2015*):

60 (a) The Commissioner of Economic and Community Development  
61 shall establish an economic development grants program to provide  
62 grants for the following programs and purposes:

63 (1) To develop a small business incubator program to entities  
64 operating incubator facilities, as defined in section 32-34;

65 (2) To promote, retain and expand hydrogen and fuel cell industries  
66 in Connecticut;

67 (3) To promote supply chain integration and encourage the  
68 adoption of digital manufacturing and information technologies;

69 [(4) To provide training for small and medium-sized businesses in  
70 high-performance work practices;]

71 [(5)] (4) To support the development of marine science, maritime

72 and homeland security defense industries;

73       [(6)] (5) To promote research innovation and nanotechnology; and

74       [(7)] (6) To provide technical assistance to small business owners.

75       Sec. 4. Subsection (a) of section 32-11f of the general statutes is  
76 repealed and the following is substituted in lieu thereof (*Effective*  
77 *October 1, 2015*):

78       (a) (1) Wherever the term "Connecticut Development Authority" is  
79 used in the following sections of the general statutes, the term  
80 "Connecticut Innovations, Incorporated" shall be substituted in lieu  
81 thereof: 3-24d, 3-24f, 3-99d, 8-134, 8-134a, 8-192, 8-192a, 8-240m, 13b-  
82 79w, 16-243v, 22a-134, 22a-173, 22a-259, 22a-264, 25-33a, 32-1l, 32-3, 32-  
83 4l, 32-6j, 32-9c, 32-9n, 32-9qq, 32-22b, 32-23l, 32-23o, 32-23q, 32-23r, 32-  
84 23s, 32-23t, 32-23v, 32-23x, 32-23z, 32-23aa, 32-23qq, 32-23ss, 32-23tt, 32-  
85 31a, 32-61, 32-68a, 32-141, 32-222, 32-223, 32-227, 32-244, 32-244a, 32-  
86 262, 32-263, 32-265, 32-266, 32-285, 32-341, [32-477,] 32-500, 32-503, 32-  
87 609, 32-761, 32-763 and 32-768.

88       (2) Wherever the term "authority" is used in the following sections  
89 of the general statutes, the term "corporation" shall be substituted in  
90 lieu thereof: 32-14, 32-15, 32-16, 32-16a, 32-17a, 32-18, 32-19, 32-22, 32-  
91 22a, 32-23a, 32-23j, 32-23o, 32-23p, 32-23q, 32-23r, 32-23s, 32-23v, 32-  
92 23x, 32-23y, 32-23z, 32-23bb, 32-23ii, 32-23jj, 32-23kk, 32-23ll, 32-23qq,  
93 32-23ss, 32-23tt, 32-23uu, 32-23vv, 32-31a, 32-61, 32-62, 32-63, 32-64, 32-  
94 65, 32-67, 32-68a, 32-262, 32-263, 32-265, 32-267, 32-269, 32-270, 32-271,  
95 32-272, 32-280, 32-282, 32-285, 32-341, 32-356, 32-500, 32-503, 32-717 and  
96 32-718.

97       Sec. 5. Subsection (b) of section 32-41o of the general statutes is  
98 repealed and the following is substituted in lieu thereof (*Effective*  
99 *October 1, 2015*):

100       (b) The proceeds of the sale of said bonds, to the extent of the

101 amount stated in subsection (a) of this section, shall be used by the  
102 corporation as follows: (1) Three million dollars for the program  
103 established in section 32-41j of the general statutes, revision of 1958,  
104 revised to January 1, 2013; (2) five hundred thousand dollars for the  
105 program established in section 32-41k of the general statutes, revision  
106 of 1958, revised to January 1, 2013; (3) one million two hundred fifty  
107 thousand dollars for the program established and for the eligible  
108 business consortium approved in section 32-41l; and (4) seven hundred  
109 fifty thousand dollars for the program established and for the eligible  
110 business consortium approved in section 32-41m.

111 Sec. 6. Subsection (b) of section 32-235 of the general statutes is  
112 repealed and the following is substituted in lieu thereof (*Effective*  
113 *October 1, 2015*):

114 (b) The proceeds of the sale of said bonds, to the extent of the  
115 amount stated in subsection (a) of this section, shall be used by the  
116 Department of Economic and Community Development (1) for the  
117 purposes of sections 32-220 to 32-234, inclusive, including economic  
118 cluster-related programs and activities, and for the Connecticut job  
119 training finance demonstration program pursuant to sections 32-23uu  
120 and 32-23vv, provided (A) three million dollars shall be used by said  
121 department solely for the purposes of section 32-23uu and not more  
122 than five million two hundred fifty thousand dollars of the amount  
123 stated in said subsection (a) may be used by said department for the  
124 purposes of section 31-3u, (B) not less than one million dollars shall be  
125 used for an educational technology grant to the deployment center  
126 program and the nonprofit business consortium deployment center  
127 approved pursuant to section 32-41l, (C) not less than two million  
128 dollars shall be used by said department for the establishment of a  
129 pilot program to make grants to businesses in designated areas of the  
130 state for construction, renovation or improvement of small  
131 manufacturing facilities, provided such grants are matched by the  
132 business, a municipality or another financing entity. The  
133 Commissioner of Economic and Community Development shall

134 designate areas of the state where manufacturing is a substantial part  
 135 of the local economy and shall make grants under such pilot program  
 136 which are likely to produce a significant economic development  
 137 benefit for the designated area, (D) five million dollars may be used by  
 138 said department for the manufacturing competitiveness grants  
 139 program, (E) one million dollars shall be used by said department for  
 140 the purpose of a grant to the Connecticut Center for Advanced  
 141 Technology, for the purposes of subdivision [(5)] (4) of subsection (a)  
 142 of section 32-7f, as amended by this act, (F) fifty million dollars shall be  
 143 used by said department for the purpose of grants to the United States  
 144 Department of the Navy, the United States Department of Defense or  
 145 eligible applicants for projects related to the enhancement of  
 146 infrastructure for long-term, on-going naval operations at the United  
 147 States Naval Submarine Base-New London, located in Groton, which  
 148 will increase the military value of said base. Such projects shall not be  
 149 subject to the provisions of sections 4a-60 and 4a-60a, (G) two million  
 150 dollars shall be used by said department for the purpose of a grant to  
 151 the Connecticut Center for Advanced Technology, Inc., for  
 152 manufacturing initiatives, including aerospace and defense, and (H)  
 153 four million dollars shall be used by said department for the purpose  
 154 of a grant to companies adversely impacted by the construction at the  
 155 Quinnipiac Bridge, where such grant may be used to offset the increase  
 156 in costs of commercial overland transportation of goods or materials  
 157 brought to the port of New Haven by ship or vessel, (2) for the  
 158 purposes of the small business assistance program established  
 159 pursuant to section 32-9yy, provided fifteen million dollars shall be  
 160 deposited in the small business assistance account established  
 161 pursuant to said section 32-9yy, and (3) to deposit twenty million  
 162 dollars in the small business express assistance account established  
 163 pursuant to section 32-7h.

164 Sec. 7. Section 32-450 of the general statutes is repealed and the  
 165 following is substituted in lieu thereof (*Effective October 1, 2015*):

166 As used in sections [32-450 to 32-458, inclusive] 32-455, as amended

167 by this act, and 32-458:

168 (1) "Awarding authority" means the Commissioner of Economic and  
169 Community Development and the board of directors of Connecticut  
170 Innovations, Incorporated.

171 (2) "Economic development financial assistance" means any grant,  
172 loan or loan guarantee, or combination thereof, or any tax credits  
173 approved pursuant to section 32-9t, provided to a business for the  
174 purpose of economic development.

175 [(3) "Employee representatives" means representatives of any  
176 certified or recognized bargaining agents for employees of a business.

177 (4) "Threshold project" means (A) a project for which a business  
178 operating in the state and having twenty-five or more full-time  
179 employees in the state submits a request to an awarding authority for  
180 economic development financial assistance in the form of (i) a grant in  
181 the amount of two hundred fifty thousand dollars or more or (ii) a  
182 combination of a grant and a loan or loan guarantee, totaling two  
183 hundred fifty thousand dollars or more, or (B) a project for which a  
184 business operating in the state and having one hundred or more full-  
185 time employees in the state submits a request to an awarding authority  
186 for economic development financial assistance in the form of (i) a loan  
187 or a loan guarantee, in the amount of one million dollars or more, or  
188 (ii) a combination of a loan and a loan guarantee, totaling one million  
189 dollars or more.]

190 Sec. 8. Section 32-455 of the general statutes is repealed and the  
191 following is substituted in lieu thereof (*Effective October 1, 2015*):

192 The awarding authority shall include provisions in the contract with  
193 a recipient of economic development financial assistance [for a  
194 threshold project] that (1) require the recipient to use the assistance  
195 only for the purposes approved by the authority and (2) establish  
196 remedies in the event that the recipient does not use such assistance for

197 such purposes. Such remedies may include, but shall not be limited to,  
 198 liquidated damages. In the event the recipient breaches the contract by  
 199 spending such financial assistance in a manner [which] that violates  
 200 the contract, the awarding authority shall seek enforcement of such  
 201 remedies and provide no further financial assistance to the recipient  
 202 until the breach is resolved.

203 Sec. 9. Sections 31-3v, 32-41j, 32-41k, 32-451 to 32-454, inclusive, 32-  
 204 456, 32-457 and 32-475 to 32-480, inclusive, of the general statutes are  
 205 repealed. (*Effective October 1, 2015*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	10-95f(a)
Sec. 2	<i>October 1, 2015</i>	32-1m(a)(3)
Sec. 3	<i>October 1, 2015</i>	32-7f(a)
Sec. 4	<i>October 1, 2015</i>	32-11f(a)
Sec. 5	<i>October 1, 2015</i>	32-41o(b)
Sec. 6	<i>October 1, 2015</i>	32-235(b)
Sec. 7	<i>October 1, 2015</i>	32-450
Sec. 8	<i>October 1, 2015</i>	32-455
Sec. 9	<i>October 1, 2015</i>	Repealer section

**Statement of Purpose:**

To repeal the threshold project development research and manufacturing application center programs and the high performance work organization statutes in order to remove certain paperwork filing requirements and administrative barriers that make it more difficult for businesses to seek financial assistance.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*